Before the FEDERAL COMMUNICATIONS COMMISSION RECEIVED Washington, D.C. 20554

MAY 1 3 1996

In the Matter of)	OFFICE OF SECRETARY
Petition for Declaratory Ruling by)	RM-8181
the Inmate Calling Services)	AAD 96-39
Providers Task Force)	DOCKET FILE OF PY ORIGINAL

COMMENTS OF SOUTHWESTERN BELL TELEPHONE COMPANY IN SUPPORT OF PETITION FOR PARTIAL RECONSIDERATION OR STAY

On March 21, 1996, Bell Atlantic, BellSouth, NYNEX, Pacific Bell and Nevada Bell (Petitioners) filed a Petition for Partial Reconsideration or Stay of a Commission Declaratory Ruling released in this docket on February 20, 1996, which directed carriers to treat inmate-only payphones as customer premises equipment (CPE). Petitioners request that the Declaratory Ruling be stayed pending the effective date of the new regulations that must be adopted for all payphones pursuant to Section 276 of the Telecommunications Act of 1996. Petitioners state that a stay is appropriate to avoid requiring exchange carriers to undertake duplicative compliance activities within a short period of time -- first to comply with the Declaratory Ruling for inmate payphones, and later to comply with the rules implementing Section 276 for all payphones.

Southwestern Bell Telephone Company (SWBT) supports Petitioners. Compliance with the Declaratory Ruling in this matter will not be in the public interest. The Telecommunications Act of 1996, at Section 276(b)(1), requires the Federal Communications

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Commission to prescribe payphone regulations that, inter alia, (1) establish a per-call compensation plan, (2) discontinue the intrastate and interstate "carrier access charge payphone service elements," (3) prescribe nonstructural safeguards, (4) provide for Bell Operating Company payphone providers the right to negotiate with local providers regarding the carrier of interLATA traffic, and (5) allow all payphone service providers to negotiate with location providers regarding carriers that transport intraLATA calls. Subsection D of Section 276 of the Act specifically includes "the provision of inmate telephone service in correctional institutions" within the definition of "payphone."

Thus, the Act requires the FCC, as part of the comprehensive payphone rulemaking, to include regulations concerning inmate telephone service. Requiring SWBT and other Local Exchange Carriers (LECs) to implement the terms of the Declaratory Ruling before the Commission has released the rules and regulations required by the Act will force SWBT and other LECs to do on a piece-meal basis what the Act contemplates should be done as part of a unified process.

The Declaratory Ruling requires LECs to "establish whatever Part 64 cost pools are needed to accomplish this reclassification and . . . file revisions to their Cost Allocation Manuals reflecting this reclassification within sixty (60) days prior to the effective date of the change." In effect, the FCC is requiring that LECs file a revision to their Cost Allocation Manuals on or about July 3, 1996, which is the date sixty days prior to the September 2, 1996, effective date of the reclassification required by the Declaratory Ruling.

Section 204 of the Telecommunications Act of 1996 states, in part, that the "Commission shall permit any Common Carrier . . . to file Cost Allocation Manuals . . . annually, to the extent such carriers are required to file such manuals." Requiring LECs to file revisions to their Cost Allocation Manuals more frequently than on an annual basis is contrary to the above-quoted provision of the new legislation. The Declaratory Ruling must be revised accordingly to be consistent with the requirements of the legislation regarding annual filings of Cost Allocation Manuals.

For the reasons discussed above, SWBT supports Petitioners herein and requests that the Declaratory Ruling be stayed pending the effective date of the new regulations that must be adopted for all payphones pursuant to Section 276 of the Telecommunications Act of 1996.

Respectfully submitted,

SOUTHWESTERN BELL TELEPHONE COMPANY

Ву

Robert M. Lynch

Durward D. Dupre

J. Paul Walters, Jr.

Attorneys for

Southwestern Bell Telephone Company

One Bell Center, Room 3520

St. Louis, Missouri 63101

(314) 235-2507

CERTIFICATE OF SERVICE

I, Katie M. Turner, hereby certify that the foregoing, "Comments of Southwestern Bell Telephone Company In Support of Petition for Partial Reconsideration On Stay" in RM No.8181 AAD 96-39 has been filed this 13th day of May, 1996 to the Parties of Record.

Katie M. Turner

May 13, 1996

Albert H. Kramer
Helen M. Hall
KECK, MAHIN & CATE
Attorneys for the Inmate
Calling Services Providers
Task Force
1201 New York Avenue, N.W.
Washington, D.C. 20005-3919

ITS, Inc. 1919 M Street, N.W. Room 246 Washington, D.C. 20036

Floyd S. Keene
Michael S. Pabian
AMERITECH OPERATING COMPANIES
2000 West Ameritech Center Dr.
Room 4H76
Hoffman Estates, IL 60196-1025

Donald F. Evans
Director, Federal Regulatory
Affairs
MCI Communications Corp.
1801 Pennsylvania Ave., N.W.
Washington, D.C. 20006

Robert McKenna
U S West Communications, Inc.
1020 19th Street, N. W.
Suite 700
Washington, D.C. 20036

William J. Balcerski NYNEX 120 Bloomingdale Road White Plains, NY 10605

Eugene J. Baldrate
Director-Federal Regulatory
SOUTHERN NEW ENGLAND TELEPHONE
227 Church Street
New Haven, Connecticut 06510

William B. Barfield
Thompson T. Rawls III
BellSouth Telecommunications, Inc.
4300 Southern Bell Center
675 West peachtree Street, N.E.
Atlanta, Georgia 30375

James P. Tuthill
Maribeth R. Evans
PACIFIC BELL/NEVADA BELL
2600 Camino Ramon, Room 2W802
San Ramon, Califorina 94583

James L. Wurtz
PACIFIC BELL/NEVADA BELL
1275 Pennsylvania Ave., N.W.
Washington, D.C. 20004

Randolph J. May
SUTHERLAND, ASBILL & BRENNAN
Attorney for Capital Network
System, Inc. and Advanced
Technologies Cellular Telecomm.
1275 Pennsylvania Ave., N.W.
Washington, D.C. 20004-2404

LINDA KENT
ASSOCIATE GENERAL COUNSEL
USTA
1401 H STREET NW STE 600
WASHINGTON DC 20005-2136